following guidelines. The item should be—

- (1) Relatively important (*i.e.*, represent a DEC with a relatively large weight) within the PEG;
- (2) Relatively easy to find in both COLA and DC areas;
- (3) Relatively common, *i.e.*, what people typically buy;
- (4) Relatively stable over time, e.g., not a fad item; and
- (5) Subject to similar supply and demand functions.
- (b) To the extent practical, the items OPM surveys in the COLA area must be identical to the items that OPM surveys in the DC area or be of closely similar quality and quantity, with quantity adjustments as necessary. An example of a quantity adjustment is converting prices for 10 and 12 oz. packages to a price per pound.
- (c) Within any DEC, OPM may specify items that differ in quality and quantity from other items specified for the same DEC. However, when OPM compares prices for such items between the COLA area and the DC area, OPM compares prices of like products.

§ 591.213 What prices does OPM collect?

- (a) OPM surveys the price charged to the consumer at the time of the survey. The price includes any sales, excise, or general business tax passed on to the consumer at the time of sale and any discounts, mark-downs, or "sales" in progress at the time the price was collected.
- (b) Exceptions: (1) OPM does not collect coupon prices, clearance prices, going-out-of-business prices, or areawide distress sale prices.
- (2) OPM prices automobiles at dealers and obtains the sticker (i.e., non-negotiated) price for the model and specified options. The prices are the manufacturer's suggested retail price (including options), destination charges, additional shipping charges, appropriate dealer-added items or options, dealer mark-up, and taxes.
- (3) OPM estimates prices for selected items, such as health insurance and K-12 education, based on employee usage of the item. For example, OPM estimates health insurance prices based on the employee's share of the premium

costs and weights reflecting Federal enrollment, as reported in OPM's Central Personnel Data File, in the various plans available to Federal employees in each area.

[67 FR 22340, May 3, 2002, as amended at 69 FR 59762, Oct. 6, 2004]

§ 591.214 How does OPM collect prices?

- (a) OPM collects most prices by visiting or calling retail outlets in each survey area and observing or verbally obtaining the item prices.
- (b) OPM prices some items by catalog, Internet, or a similar source. Other items, not normally sold within an area, may be priced in a different area. In either case, the price of such items includes any applicable taxes, shipping, and handling charges. When an item is normally sold within an area but is not available at the time of survey, OPM may, on a case-by-case basis, use the price of the item in a neighboring survey or COLA area.

§ 591.215 Where does OPM collect prices in the COLA and DC areas?

(a) Survey areas. Each COLA area has one survey area, except Hawaii County, HI, and the U.S. Virgin Islands COLA areas. Hawaii County has two survey areas: the Hilo area and the Kailua Kona/Waimea area. The U.S. Virgin Islands also has two survey areas: the Island of St. Croix and the Islands of St. Thomas and St. John. The Washington, DC, area has three survey areas: the District of Columbia, the Maryland suburbs of the District of Columbia, and the Virginia suburbs of the District of Columbia. OPM collects nonhousing data throughout the survey area, and for selected items such as golf, snow skiing, and air travel, OPM collects non-housing data in additional geographic locations. OPM may collect housing data throughout the survey area or in specific housing data collection areas. The following table shows the survey areas:

SURVEY AREAS

COLA and ref- erence areas	Survey areas and geographic coverage
Anchorage Fairbanks Juneau	City of Anchorage. Fairbanks/North Pole area. Juneau/Mendenhall/Douglas area. Juneau/Mendenhall/Douglas